

**WASHINGTON, DC**—Representatives Peter DeFazio (D-OR) and Mike Thompson (D-CA) today sent a letter to the National Oceanic and Atmospheric (NOAA) administrator, Jane Lubchenco, asking the agency to make changes to a forthcoming West Coast fishing plan to protect fishermen and coastal communities. DeFazio and Thompson believe if the fishing plan goes forward as designed, fishing families and coastal communities in southern Oregon and northern California could be negatively impacted.

The new fishing plan is being designed by the Pacific Fishery Management Council but must be approved by Dr. Lubchenco's agency before being implemented by January, 2011. The plan calls for "rationalizing" the West Coast trawl groundfishery, which consists of over 90 species such as Pacific cod, whiting, and rockfish. The rationalization of the trawl fishery, commonly called a "catch share" program, would establish a system by which fishing privileges are given to businesses and individuals as private rights, who are then allowed to trade, buy, or sell these rights as they see fit. Proponents of the fishing plan say a catch share program would improve efficiency and overcapacity of the West Coast groundfishery. DeFazio and Thompson argue a catch share program could lead to market consolidation, manipulation, and the loss of fishing jobs.

"This is just another attempt by misguided environmental groups to use a 'market-based' solution to solve an ecological challenge-overfishing and bycatch in this case," DeFazio said. "Just as I opposed a cap-and-trade system to reduce greenhouse gas emissions and fought deregulation of the energy sector in the west, I am not convinced catch shares are the silver bullet proponents make them out to be. Before moving forward, we should make sure we have done everything we can to protect Oregon fishing families and coastal communities. I'm not convinced NOAA has done that."

"As currently proposed, this catch share program not only causes undue stress on our groundfish fishermen and their families, but the added costs, including those for fisheries observers, could cripple the infrastructure of the entire fishing industry along California and Oregon," said Congressman Mike Thompson (D-CA).

If NOAA is unable or unwilling to address the concerns DeFazio and Thompson raise in their letter, they've asked Dr. Lubchenco to remand the plan back to the Pacific Fishery Management Council with a directive to make changes. Final rules and regulations for the West Coast catch share program could be finished as early as August. The final plan would go into effect in January 2011.

The full text of the letter is below:

July 27, 2010 Dr. Jane Lubchenco Administrator National Oceanic and Atmospheric  
Administration U.S. Department of  
Commerce Herbert  
Hoover Building, Room 5221

Fourteenth Street and Constitution Ave., NW

Washington, DC 20230

Dear Dr. Lubchenco:

We are writing to express our serious concerns about the implementation of the West Coast Groundfish Fishery Catch Share program in January, 2011. Below, we outline several design flaws of the current program that can and should be addressed before implementation. We request that the National Oceanic and Atmospheric Administration (NOAA) address these issues before approving Amendment 20 and Amendment 21 to the Pacific Coast Groundfish Fishery Management Plan or to remand the amendments back to the Pacific Fishery Management Council with a specific directive to address the below concerns.

If implemented as designed, we believe the groundfish catch share program will have devastating impacts on west coast coastal and fishing communities. Making substantive changes after the program has gone into effect will be difficult for the agency, costly to the taxpayer, and burdensome to fishermen and fishing communities.

We have the following concerns:

Cost of implementation- The Observer/Monitor Program alone could cost between \$6-\$20 million annually. Combined with costs to administer the program and Groundfish Buyback loan payments, the cost of the proposed catch share program could cripple an industry that grosses

between \$44-50 million annually.

Initial allocation of quotas- By “gifting” initial allocations to vessel owners, the Council is effectively converting a public trust resource into a private capital asset. Gifting allocations will provide those that are initial recipients of quota shares with a financial advantage by increasing their wealth and potentially creating windfalls for non-fishing interests.

Participation and transferability- The Council’s proposal places few restrictions on who can own quota and modest caps on quota ownership for vessels and corporate entities. The current design of the system could create instances of market speculation and manipulation that would undermine market stability and transparency.

Consolidation of the west coast groundfish fishery- The most immediate impact of the catch share program will be the downsizing of the west coast fishing fleet. The active trawl fleet of about 120 vessels is expected to decrease by 50 to 60 percent, leaving 40-60 vessels.

The remaining vessels will be forced to pay higher costs to lease or purchase additional quota shares. Smaller boats and fishing interests will likely be forced out of the market. We have serious concerns about the impact of consolidation not only on the men and women currently involved in the groundfish fishery, but also on the communities they support.

Impact on and spillover into different fisheries- Due to downsizing and excess capacity, vessel owners will likely try to sell their boats to fishermen in other fisheries or re-activate the vessels by purchasing permits in other federal fisheries. There is a real and significant risk that former groundfish trawlers may spillover into the pink shrimp, Dungeness crab, and fixed gear fisheries on the west coast. Such spillover has significant economic and ecological ramifications.

To be clear, we do not oppose the implementation of well-designed catch share programs and recognize the potential ecological benefit of their use. However, the program should be implemented only after NOAA and the Council have meaningfully addressed the outstanding design problems. It defies common sense that NOAA and the Council would move forward with the catch share program knowing full well that substantive changes (i.e. “trailing amendments”) will have to be designed, approved, and implemented immediately to correct known design flaws. It’s in the best interest of the federal government and the general public that those

changes be made before implementation.

Thank you in advance for your timely response to this letter. We look forward to working with you to restore healthy fisheries and to promote sustainable and economically secure coastal communities on the west coast.

Sincerely,

Peter DeFazio

Mike Thompson

Member of Congress

Member of Congress